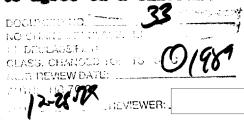
NSC BRIEFING

22 January 1959

## JAPAN

- I. Premier Kishi, who for 20 months exercised firm control of govt, in last two months has received series setbacks making his political future uncertain.
  - A. His inept handling of a bill to strengthen police powers began his trables
    - Widespread public clamor and strong-arm tactics by the opposition Socialists in the Diet forced him to accept Socialist terms for settlement with a great loss of face.
  - B. Kishi's rivals in the ruling Liberal-Democratic Party seized the opportunity to demand party and cabinet changes to increase their power.
  - C. Three dissident leaders resigned from the cabinet in late December and have been refusing cabinet or party posts unless a sweeping reshuffle is made.
  - D. In early January, former Prime Minister Yoshida advised Kishi to resign.
- II. The cabinet and party executive changes announced on 12 Jan left Kishi with a second team line-up and were only stop-gap action.
  - A. The dissident Liberal-Democrats, who object strongly to Kishi's desire to seek re-election as party president before his term ends on 21 March, have sought time to force further concessions, or failing this, to agree on a candidate to challenge him.



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- B. The dissidents earlier this week rejected Kishi's compromise effer to hold party election by Feb.
- C. Our embassy reported yesterday that in the last day or two an "atmosphere of detente" had developed and there was "talk of compromise," with Kishi's position improving.
- D. Latest report (FBIS) this merning is that agreement has been reached to hold the party election at the party's annual convention this Saturday--as Kishi had originally desired.
  - It remains to be seen what compromises, if any, are involved.
- III. Party factionalism is almost certain to continue at least under the surface and to continue to handicap Kishi in carrying out his strongly anti-leftist program.

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